UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: May 10, 2006]²

Bill No. and sponsor: H.R. 3229 (Mr. Steve Buyer of Indiana).

Proponent name, location: Dow Agrosciences LLC, Indianapolis, IN.

Other bills on product (109th Congress only): H.R. 3233.

Nature of bill: Temporary duty reduction through December 31, 2008.

Retroactive effect: None.

Article description(s) (including appropriate HTS classification(s)):

 α,α,α -Trifluoro-2,6-dinitro-*N*,*N*-dipropyl-*p*-toluidine (Trifluralin) (CAS No. 1582-09-8) (provided for in subheading 2921.43.15).

Check one: Same as in the HTS heading(s) in the bill as introduced

X Different from the HTS heading(s) in the bill (see Technical comments)

Product information, including uses/applications and source(s) of imports:

Trifluralin is a synthetic organic chemical that is used as a preemergence herbicide to control annual broadleaf weeds in soybeans, cotton, turf, and numerous other crops. The imported bulk product is used to produce various formulations for sale in the domestic market. The subject product is imported from Italy.

¹ Industry analyst preparing report: Ed Cappuccilli (202-205-3368); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: <u>2921.43.15</u>					
\searrow	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$12,900,000	\$12,900,000	\$12,900,000	\$12,900,000	\$12,900,000
Customs revenue loss ¹	\$580,500	\$580,500	\$580,500	\$580,500	\$580,500

¹The estimated Customs revenue loss is based on a reduction of the column 1-general rate of duty from 6.5 percent ad valorem to 2.0 percent ad valorem for a total reduction of 4.5 percent. The estimated Customs revenue loss data for 2005 and 2006 reflect the existing duty suspension under HTS heading 9902.05.33 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry and Commission estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
			(Yes/No)	
Dow Agroscience LLC (Proponent) Max Turnipseed: 225-338-0310 Lisa Schroeter, Fax: 202-429-3467	10/17/2005 11/08/2005	No	No	No
AtoFina Cerexagri Charles Kitchin, Fax: 703-527-2092	11/08/2005	No	No	No
BASF Corp. Greg Thies, Fax: 202-558-5101	11/08/2005	No	No	No
Bayer CropScience Karen L. Niedermeyer, Fax: 412-777-4740 William Hensley, Fax: 202-628-6622	11/08/2005	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	11/08/2005	No	No	No
DuPont Helen McMahon, Fax: 302-774-1398	11/08/2005	No	No	No
FMC Jerry Prout, Fax:202-956-5235	11/08/2005	No	No	No

Griffin Corp. Stephen Glennon, Fax: 800-248-5154 James Whatley, Fax: 800-248-5154	11/08/2005	No	No	No
LANXESS Corp. Jamie B. Schaeffer, Fax: 412-809-3614	11/08/2005	No	No	No
Monsanto Corp. Linda Strachan, Fax: 202-789-1867 Michael Parrish, Fax: 202-789-1867	11/08/2005	No	No	No
Syngenta Mike Blythe, Fax: 336-632-6084	11/08/2005	No	No	No
Valent USA Robin Demouth, Fax:925-256-2776	11/08/2005	No	No	No

Technical comments:³

The Commission suggests that the article description of HTS heading 9902.05.33 be amended to use the article description on page 1 of this report so that it conforms with the article description in HTS subheading 2921.43.15. The Commission also notes that H.R. 3233 proposes an extension of the duty suspension for the subject chemical that is provided for in HTS heading 9902.05.33, which expires on December 31, 2006.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

H.R.3229

To reduce temporarily the duty on trifluralin.

IN THE HOUSE OF REPRESENTATIVES

July 12, 2005

Mr. Buyer introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To reduce temporarily the duty on trifluralin.

1	Be it enacted by the Senate and House of Representa-
2	tives of the United States of America in Congress assembled,
3	SECTION 1. TRIFLURALIN.
4	(a) In General.—Heading 9902.05.33 of the Har-
5	monized Tariff Schedule of the United States (relating to
6	α, α, α -Trifluoro-2,6-dinitro- p -toluidine) is amended—
7	(1) by striking "Free" and inserting "2.0%";
8	and
9	(2) by striking "12/31/2006" and inserting
10	"12/31/2008".
11	(b) Effective Date.—The amendments made by

12 subsection (a) apply to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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